

Date Mailed
August 15, 2001

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Petition of Wisconsin Power and Light Company for Declaratory
Ruling Pursuant to Section 227.41 Wis. Stats Regarding a Purchase
Power Incentive Related to Its Tolling Agreement With Rock
River Energy LLC

6680-DR-107

**NOTICE OF PROCEEDING
AND
NOTICE OF HEARING**

Hearing Date:	Thursday, September 6, 2001 - 9:00 a.m.
Hearing Location:	Public Service Commission, 610 North Whitney Way, Madison, WI (Amnicon Falls Hearing Room – 1st Floor)

THIS IS A PROCEEDING to consider the petition of Wisconsin Power and Light Company (WP&L), filed on March 16, 2001, for a declaratory ruling, pursuant to Wis. Stat. §§ 227.41, 196.02(1), and 196.37; and interpreting Ultimate Finding of Fact number 7 in the Commission's December 28, 1993, Order in docket 05-EI-112 (Petition). On May 4, 2001, WP&L submitted a letter clarifying certain details about the Petition and the rationale for its Petition (Clarifying Letter).

In its petition, WP&L requests a declaration by the Commission that WP&L would be allowed to recover, in retail electric rates, a Purchase Power Incentive related to its Tolling Agreement with Rock River Energy, LLC, if the Tolling Agreement is found to be prudent in a future rate proceeding. The Purchase Power Incentive would be equal to a return on the fixed component of its contract with Rock River Energy, LLC, reflective of the average fixed component and rate of return approved for the five major Class A investor-owned electric utilities in the state in their most recent rate case. Based on the Class A utilities' currently approved rates of return on net investment rate base and capital structures, the proposed Purchase Power Incentive would result in a 5.45 percent after-tax return (9.08 percent before tax) on the net present value of the fixed costs of the Tolling Agreement.

NOTICE IS GIVEN that the Commission will hold a hearing on Thursday, September 6, 2001, at 9:00 a.m. in the Amnicon Falls Hearing Room at the Public Service Commission Building, 610 North Whitney Way, Madison, Wisconsin, and continuing at times to be set by the presiding Administrative Law Judge. This building is accessible to people in wheelchairs through the Whitney Way first floor (lobby) entrance. Parking for people with disabilities is available on the south side of the building. Any person with a disability who needs additional accommodations should contact the case coordinator listed below.

Docket 6680-DR-107

This is a non-contested case. Any interested party may appear at the hearing to provide evidence and opinion related to the petition. The Administrative Law Judge shall establish and enforce an orderly hearing process and may modify or add to the schedule established in this notice.

Copies of the Petition and the Clarifying Letter are available from the Records Management Section of the Commission, at 610 N. Whitney Way, 2nd floor, Madison, WI.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the docket coordinator listed below.

Questions from the media may be directed to Jeffrey L. Butson, Public Affairs Director, at (608) 267-0912.

Questions regarding this matter may be directed to docket coordinator Randel Pilo at (608) 267-1474.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

LLD:RAP:mem:G:\Notice\Pending\6680-DR-107 NOH.doc